

ASSEMBLY BILL

No. 1366

Introduced by Assembly Member Jeffries

February 18, 2011

An act to amend Section 69509.5 of the Education Code, relating to private postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 1366, as introduced, Jeffries. Private postsecondary education: student financial aid: notice.

Existing law provides that within 5 days of the commencement of any cause of action, including an emergency action, by the Student Aid Commission against a private postsecondary educational institution in connection with the Federal Family Education Loan Program, the director of the commission shall give notice, in writing, of the commencement of the action to the Council for Private Postsecondary and Vocational Education.

This bill would require the commission to give that notice within 8, rather than 5, days of the commencement of any cause of action.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 69509.5 of the Education Code is
2 amended to read:
3 69509.5. (a) Within ~~five~~ *eight* days of the commencement of
4 any cause of action, including an emergency action, by the
5 commission against a private postsecondary educational institution

1 in connection with the Federal Family Education Loan Program,
2 the director of the commission shall give notice, in writing, of the
3 commencement of the action to the Council for Private
4 Postsecondary and Vocational Education.

5 (b) “Cause of action” and “emergency action” for the purposes
6 of this section, mean those actions described in Sections 30302
7 and 30304 of Title 5 of the California Code of Regulations, and
8 as those sections may subsequently be amended, concerning the
9 limitation, suspension, and termination of eligibility under the
10 Federal Family Education Loan Program.

11 (c) The director of the commission, or his or her designee, shall
12 give written notice to the Council for Private Postsecondary and
13 Vocational Education when, in the administration of a program
14 review concerning any private postsecondary educational
15 institution’s participation in the Cal Grant Program or the Federal
16 Family Education Loan Program, evidence indicates that a private
17 postsecondary educational institution is in violation of the standards
18 adopted by its responsible accrediting agency or when it is in
19 violation of Section 94800, Sections 94811 to 94825, inclusive,
20 or Section 94930.

21 (d) The director of the commission may develop selection
22 criteria for the scheduled review of any private postsecondary or
23 vocational educational institution.

24 (e) This section shall become operative on January 1, 1997.